

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

0 1 — 0 0 1

2. STATE:

Iowa

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL  
SECURITY ACT (MEDICAID)TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

October 1, 2000

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 435.732 and 435.831

7. FEDERAL BUDGET IMPACT:

a. FFY 01 \$ 3

b. FFY 02 \$ 0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 2.6-A, page 14

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (If Applicable):

Attachment 2.6-A, page 14 (MS-95-2)

10. SUBJECT OF AMENDMENT:

Ongoing eligibility for FMAP-related and CMAP-related medically needy cases with no  
spenddown.

11. GOVERNOR'S REVIEW (Check One):

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT☐ OTHER, AS SPECIFIED:☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Jessie K. Rasmussen

14. TITLE:

Director

15. DATE SUBMITTED:

January 25, 2001

16. RETURN TO:

Director  
Department of Human Services  
Hoover State Office Building  
Des Moines, IA 50319-0114

## FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

01/30/01

18. DATE APPROVED:

FEB 13 2001

## PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

OCT 1 2000

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

Thomas W. Lenz

22. TITLE:

ARA for Medicaid and State Operations

23. REMARKS:

cc:  
Rasmussen  
Headlee  
CO

SPA CONTROL

Date Submitted 01/25/01

Date Received 01/30/01

Citation	Condition or Requirement
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42 CFR 435.732,  
435.831

4. Handling of Excess Income - Spend-down for the Medically Needy in All States and the Categorically Needy in 1902(f) States Only

a. Medically Needy

- (1) Income in excess of the MNIL is considered as available for payment of medical care and services. The Medicaid agency measures available income for a period of two \* months to determine the amount of excess countable income applicable to the cost of medical care and services.

\* For Medically Needy cases that result in spenddown, a two-month certification period (budget period) is assigned.

Medically Needy cases that do not result in spenddown are maintained as categorically needy cases until the later of the first month that income exceeds a one-month MNIL or the first month following the timely notification.

42 CFR 435.831(f)(1)

For Medically Needy cases, the retroactive certification period begins with the first month Medicaid-covered services were received and continues to the end of the month immediately prior to the month of application. A one-month, two-month, or three-month retroactive certification period is assigned, depending on when the first month of Medicaid-covered services were received.

TN No. MS-01-1

Supersedes

TN No. MS-95-2

Approval Date

FEB 12 2001

Effective Date

OCT 1 2000